

110TH CONGRESS
2D SESSION

H. R. 6238

To provide for the establishment of an interagency working group to conduct a study to identify the factors that affect the pricing of crude oil and refined petroleum products, and to make recommendations on appropriate coordination of oversight and regulation.

IN THE HOUSE OF REPRESENTATIVES

JUNE 11, 2008

Mr. DINGELL (for himself, Mr. BARROW, Mr. HILL, Mr. HOYER, Mr. BOUCHER, Mr. DOYLE, Mr. TOWNS, Ms. BALDWIN, Mr. STUPAK, Ms. ESHOO, Mr. WEINER, Mr. MATHESON, Ms. HOOLEY, Mr. BUTTERFIELD, Mr. ALLEN, Mr. ROSS, Mr. MELANCON, Mr. INSLEE, Mr. MARKEY, Mr. GONZALEZ, Mr. ENGEL, Mrs. CAPPS, Mr. GORDON of Tennessee, Ms. SOLIS, Mr. WAXMAN, Mr. RUSH, Ms. SCHAKOWSKY, Ms. DEGETTE, Ms. HARMAN, Mr. GENE GREEN of Texas, Mr. PALLONE, Mr. BARTON of Texas, Mr. UPTON, and Ms. MATSUI) introduced the following bill; which was referred to the Committee on Energy and Commerce

A BILL

To provide for the establishment of an interagency working group to conduct a study to identify the factors that affect the pricing of crude oil and refined petroleum products, and to make recommendations on appropriate coordination of oversight and regulation.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. PETROLEUM PRODUCT PRICING.**

2 (a) WORKING GROUP.—The Secretary of Energy
3 shall establish, and serve as the Chair of, an interagency
4 working group consisting of representatives from the Fed-
5 eral Energy Regulatory Commission, the Federal Trade
6 Commission, and other appropriate Federal agencies.

7 (b) STUDY.—The working group established under
8 subsection (a) shall conduct a study to—

9 (1) identify the factors that affect the pricing of
10 crude oil and refined petroleum products, including
11 an examination of the effects of market speculation
12 on prices; and

13 (2) review and assess the roles, missions, and
14 structures of relevant Federal agencies, examine
15 interagency coordination, and identify and assess the
16 gaps which need to be filled for the Federal Govern-
17 ment to effectively oversee and regulate crude oil
18 and refined petroleum product markets.

19 (c) ELEMENTS OF STUDY.—Such study shall in-
20 clude—

21 (1) an examination of price formation with re-
22 spect to crude oil and refined petroleum products;

23 (2) an examination of the respective degree to
24 which the regulation by national governments, or
25 lack thereof, in international markets may allow or
26 tolerate excessive speculation, market manipulation,

1 or other abuses which impact crude oil or refined pe-
2 troleum product prices; and

3 (3) an examination of the degree to which
4 changes in transparency, liquidity, and structure
5 have influenced or driven abuse, manipulation, ex-
6 cessive speculation, or inefficient price formation.

7 (d) CONDUCT OF STUDY.—In conducting the study,
8 the Secretary shall—

9 (1) utilize the expertise and resources of the Of-
10 fice of Fossil Energy, the Office of Policy and Inter-
11 national Affairs, the Office of the General Counsel,
12 and such other offices in the Department of Energy
13 that have expertise bearing on the operation of and
14 laws applying to crude oil and petroleum product
15 markets;

16 (2) designate one such office to serve as the
17 Secretariat for the Task Force;

18 (3) utilize the expertise and resources of the
19 Energy Information Administration, particularly in
20 validating statistical data that may be relevant; and

21 (4) be authorized to procure by contract such
22 private commercial expertise and resources as are re-
23 quired to complete the study in a complete, timely,
24 and credible manner.

1 (e) INFORMATION FROM FEDERAL AGENCIES.—

2 Each executive department, bureau, commission, agency,
3 board, office, independent establishment, or instrumen-
4 tality of the Federal Government shall make available to
5 the working group upon request any data, information, es-
6 timates, statistics, and access to any employee necessary
7 for the conduct of the study under this section.

8 (f) PUBLIC HEARINGS.—The Secretary of Energy
9 shall provide for not less than 3 public hearings at loca-
10 tions across the country to take testimony, on the record,
11 as part of the fact gathering process to enable the working
12 group to perform its functions under this section.

13 (g) CONSULTATION.—The working group shall con-
14 sult with domestic and international oil industry partici-
15 pants, the financial services and futures industry, com-
16 modity exchanges, industry and financial consultants,
17 wholesale, retail, and consumer organizations, academic
18 and nonprofit organizations, and local, State, national,
19 and international governmental organizations.

20 (h) SUBPOENA POWER.—The Secretary of Energy
21 shall have the power to compel the production of records
22 and testimony for the purposes of the working group, and
23 may exercise the powers of the Department of Energy to
24 secure information and data necessary to carry out the
25 requirements of this section.

1 (i) REPORT AND RECOMMENDATIONS.—

2 (1) IN GENERAL.—During the conduct of the
3 study under this section, the Secretary of Energy
4 shall provide to the Committee on Energy and Com-
5 merce of the House of Representatives and the Com-
6 mittee on Energy and Natural Resources of the Sen-
7 ate quarterly progress reports, and not later than 1
8 year after the date of enactment of this Act the Sec-
9 retary shall transmit to such committees a report
10 that—

11 (A) describes the results of the study; and

12 (B) provides options and the recommenda-
13 tions of the working group for appropriate Fed-
14 eral coordination of oversight and regulatory
15 actions to ensure transparency of crude oil and
16 refined petroleum product pricing and elimi-
17 nation of excessive speculation.

18 (2) IMMEDIATE ACTION.—If at any time during
19 the course of the preparation of the study the Sec-
20 retary of Energy determines that there is a basis for
21 a policy recommendation to Congress to modify
22 United States laws or regulatory authorities so as to
23 protect United States energy consumers from the
24 potential for abuse and manipulation by activities
25 taking place in energy markets or exchanges, the

1 Secretary shall make such recommendations imme-
2 diately to the Committee on Energy and Commerce
3 of the House of Representatives and the Committee
4 on Energy and Natural Resources of the Senate.

5 (j) AUTHORIZATION OF APPROPRIATIONS.—There
6 are authorized to be appropriated for carrying out this sec-
7 tion—

8 (1) \$21,000,000 to the Secretary of Energy;

9 (2) \$1,000,000 to the Federal Energy Regu-
10 latory Commission;

11 (3) \$1,000,000 to the Federal Trade Commis-
12 sion; and

13 (4) \$2,000,000 to other Federal agencies par-
14 ticipating in the interagency working group.

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